



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**Department of Environmental  
Conservation**

OFFICE OF THE COMMISSIONER

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May 26, 2022

Mark Jensen, Mayor  
Peterburg Borough Assembly  
12 South Nordic Drive  
PO Box 329  
Petersburg, AK 99833  
Sent via email: [mayorjensen@petersburgak.gov](mailto:mayorjensen@petersburgak.gov)

Re: A Resolution Encouraging the Prompt and Full Closure and Cleanup of the Tulsequah Chief Mine and Urging the B.C. Government to Oppose Any Extension of the Receivership Process (Resolution 2022-08)

Dear Mayor Jensen,

The Office of Governor Mike Dunleavy acknowledges receipt of Petersburg Borough Assembly Resolution 2022-08, which resolves, in part, that “the Petersburg Borough Assembly strongly urges the State of Alaska and United States federal government to make it clear to the B.C. and Canadian federal governments that the receivership process must end as scheduled this August and that B.C. should then move aggressively to take over the abandoned mine, close it down, and permanently stop the acid mine drainage.”

Reclamation of the Tulsequah Chief Mine remains the highest-priority transboundary issue for the State of Alaska (State). The Province of British Columbia (B.C.) and the State continue to engage on transboundary issues at a leadership level through the Bilateral Working Group (BWG), particularly on the protection of transboundary waters and the status of the Tulsequah Chief Mine.

As you are aware, the Tulsequah Chief Mine is currently owned by Chieftain Metals Inc. (Chieftain). A receiver was appointed over Chieftain in 2016. In 2020 the Receiver and Chieftain’s primary secured creditor made an application to the Ontario Superior Court to discharge the Receiver but with the option to reappoint the Receiver at any time in the receivership proceedings. While B.C. did not oppose the discharge of the Receiver, B.C. did oppose an open-ended period for re-appointment of the Receiver. On October 8, 2020, Ontario Superior Court Chief Justice Morawetz discharged the Receiver and provided Chieftain’s secured creditor until August 2022 to apply for the re-appointment of a Receiver in the receivership proceedings.

The State, through the BWG, has clearly communicated our expectation to B.C. that the receivership proceedings for the Tulsequah Chief Mine be closed at the conclusion of the court-ordered re-appointment period. It is our understanding that B.C. desires this same outcome, as evidenced by their motions before the Court.

Although the reclamation activities B.C. may initiate are currently limited by the receivership proceedings, B.C. has taken meaningful steps to prepare for the closure and reclamation of the Tulsequah Chief Mine, including developing and publishing a conceptual closure and reclamation plan, conducting site preparation work to support heavy equipment access, assessing the existing water treatment plant and its abilities to provide temporary water treatment during closure and reclamation periods, completing field studies to inform detailed engineering designs, and initiating a five-year water quality and aquatic effects monitoring program for the Tulsequah River.

The State supports the tangible work B.C. has completed to date, and we will continue to work cooperatively with B.C. to ensure the Tulsequah Chief Mine is properly closed and reclaimed after conclusion of the receivership proceedings.

Sincerely,



Jason W. Brune  
Commissioner

CC via email:

Randy Ruaro, Chief of Staff, Office of the Governor

Jason Brune, Commissioner, Alaska Department of Environmental Conservation

Doug Vincent-Lang, Commissioner, Alaska Department of Fish and Game

Corri Feige, Commissioner, Alaska Department of Natural Resources

Kyle Moselle, Executive Director, Alaska Department of Natural Resources

Debra Thompson, Borough Clerk, [dthompson@petersburgak.gov](mailto:dthompson@petersburgak.gov)